

OPY NO. 4
TOP SECRET

IAC-M-5

11 November 1950

INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting held in Director's
Conference Room, Administration Building
Central Intelligence Agency, on 11 November 1950

Director of Central Intelligence
Lieutenant General Walter Bedell Smith
Presiding

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MEMBERS PRESENT

Mr. W. Park Armstrong, Jr., Special Assistant, Intelligence,
Department of State
Major General A. R. Bolling, Assistant Chief of Staff, G-2,
Department of the Army
Rear Admiral Felix L. Johnson, Director of Naval Intelligence
Major General Charles P. Cabell, Director of Intelligence,
Headquarters, United States Air Force
Brigadier General Vernon E. Megee, Deputy Director for
Intelligence, The Joint Staff
Mr. Victor P. Keay, acting for Assistant to the Director,
Federal Bureau of Investigation

ALSO PRESENT

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Mr. Ludwell L. Montague, Central Intelligence Agency
[redacted] Central Intelligence Agency
Mr. Allan Evans, Department of State
Brigadier General John Weckerling, Department of the Army
Colonel Hamilton H. Howze, Department of the Army
Captain John M. Ocker, USN, Department of the Navy
Captain Ray Malpass, USN, Department of the Navy
Colonel Edward H. Porter, Department of the Air Force
Lieut. Colonel J. C. Marchant, Department of the Air Force
Captain R. G. McCool, USN, The Joint Staff

Acting Secretary
Mr. James Q. Reber
Central Intelligence Agency

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Approval of Minutes

1. Action: The minutes of the meeting of 2 November 1950 (IAC-M-3) were approved.

2. Action: The minutes of the meeting of 9 November (IAC-M-4) were approved subject to the following changes:

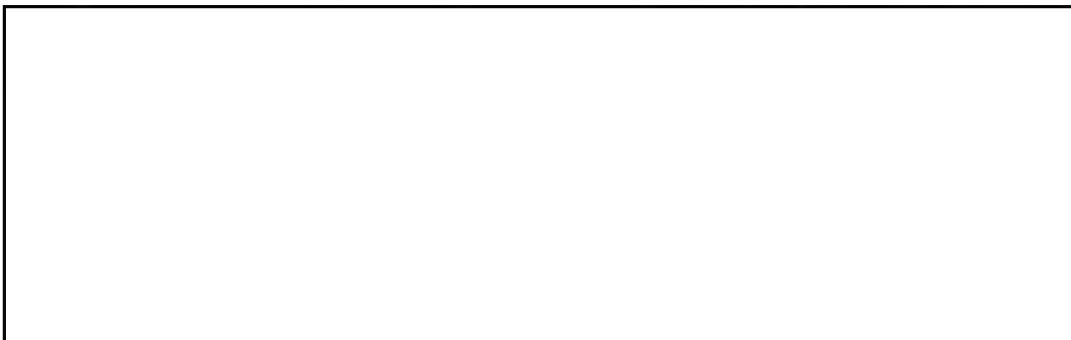
a. Substitute the following sentence for the first sentence, paragraph e, page 2: "It tentatively appears that the Chinese have abandoned hope of achieving a seat in the UN."

b. The second line of paragraph f, page 2, should be changed to read: ".... the effects of the North Korean failure, to retain control of certain power resources, and to retain a hold...."

c. Revise paragraph i(1), page 3, to read: "The Chinese would act vigorously and extensively to save face because of the strategic importance of the Manchurian area to them. There was some difference of opinion on this point, it being pointed out that the Chinese Communists might react otherwise than militarily since they are noted for employing a diversity of techniques to obtain their objectives."

National Estimates Schedule: Terms of Reference for Iran and Yugoslavia
(IAC-D-1/1)

3. Action: The following suggestions were made with respect to the draft terms of reference for Iran:



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[Redacted]

4. Action: The following changes were suggested in the terms of reference for Yugoslavia:

a. What are the prospects for attempts on the part of the Cominform to exploit the current situation for changing the alignment of the Tito Regime or overthrowing it?

b. What possibilities are there for an accommodation between the Tito Regime and the Cominform?

[Redacted]

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5. The Yugoslav estimate is required urgently by the Department of State in connection with its request before Congress for Yugoslavia aid on Friday. Therefore, the draft estimate for IAC consideration will be made available to the members at 9:00 A.M., Thursday, 16 November for consideration at 11:00 that day.

Soviet Capabilities and Intentions (NIE-3)

6. Action: This draft National Estimate is agreed subject to editorial changes and the following substantive changes:

a. Paragraph 8, page iii, substitute the following:
".... Soviet Union is in a position to conduct a general war now, at least to the extent of the campaign listed in paragraphs 66, 67, and 68.

b. Add a new paragraph 10 with respect to the Korean situation; this would be substantially the paragraph set forth in IAC-M-4, paragraph 2, with corresponding change on page B - 15.

c. Add as a footnote the thought that the IAC will constantly re-examine and provide necessary revision of the estimate with respect to 1952 as the time of Soviet peak

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strength relative to the Western Powers.

d. Colonel Porter will rewrite paragraph 26, page 6, to make clear that the actual aircraft strength in the Soviet is 85 to 90% of an authorized establishment of approximately 20,000 aircraft and that the total of aircraft in the Soviet with possible military uses would include an undetermined number in the MVD civilian aircraft and possibly other organizations.

Future Meetings

7. Action: The agenda for the next meeting on Thursday, the 16th at 11:00 A.M., will include:

a. A Recommended U. S. Policy Toward Soviet and Soviet Orbit Official Representatives on Duty in the U. S. (IAC-D-2) for final consideration.

b. National Estimate on Yugoslavia NIE (NIE-7).

8. Action: The NSC Senior Staff has asked that a study be made on the peacetime importance of Middle East oil to European viability and with regard to its importance to European balance of payments. A draft on this subject will be prepared by the CIA in collaboration with experts from Treasury, Commerce, ECA, and State and will be distributed for consideration by the IAC.

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